

Minutes of the Finance Committee

Wednesday, March 16, 2005

Chair Haukohl called the meeting to order at 8:45 a.m.

Present: Supervisors Pat Haukohl (Chair), Bonnie Morris, Genia Bruce, Don Broesch, Ken Herro, and Jim Behrend. Joe Marchese arrived at 8:48 a.m.

Also Present: Legislative Policy Advisor Mark Mader, Administration Director Norm Cummings, Director Bradley Viegut of Robert W. Baird & Co., County Clerk Kathy Nickolaus, Information Systems Manager Mike Biagioli, Senior Buyer Cindy Greco, Budget Manager Keith Swartz, Senior Financial Analyst Clara Daniels, Senior Financial Analyst Mike Baniel, Accounting Services Manager Larry Dahl, and Chief of Staff Allison Bussler.

Approve Minutes of 3-2-05

MOTION: Broesch moved, second by Morris to approve the minutes of March 2, 2005. Motion carried 6-0.

Marchese arrived at 8:48 a.m.

Schedule Next Meeting Dates

April 6th.

Ordinance 159-O-133: Authorize the Issuance of Not to Exceed \$14,400,000 General Obligation Promissory Notes for Capital Projects

Cummings distributed pages from the 2005 adopted budget for informational purposes: the Capital Project Plan Summary and Projected Debt Service and Activity. He noted this is the preliminary ordinance and the final ordinance will come before the full County Board on April 12. The \$14.4 million will fund a portion of the capital projects which total about \$28 million.

Haukohl referred to a memo drafted by Administration staff to be sent to all County Board Supervisors explaining the bond issue in detail. Mader said the committee might want to come up with a response anticipating questions at the Board level with regards to the postponement of the UW-Waukesha Northview Hall renovations capital project. Cummings said this project has not been abandoned but postponed. Also, in the event the County Board and the County Executive agreed to sell UW-Waukesha to the University System, the County may go ahead with the renovations as part of the deal.

Viegut referred to the handout entitled "Summary of Recommended Financing Plan" submitted by Robert W. Baird & Co. which he discussed as outlined. He said although interest rates have been increasing, we are still in a historically low interest rate environment. It's estimated the rate will be around 3.84%. Because this is a general obligation promissory note, the final maturity is within 10 years of the issuance. The terms and structure of the Notes compliments the existing and planned future debt structure. The debt will be retired sooner than the useful life of the assets being financed which will reduce the interest expense. The County will have flexibility to refinance or prepay without penalty.

Baird and County staff are preparing a rating presentation that will be presented in person to both Moody's Investors Service and Fitch Ratings. Both rating agencies are fully expected to affirm the County's Triple A ratings.

MOTION: Bruce moved, second by Herro to approve ordinance 159-O-133. Motion carried 7-0.

Contract Procurement Process for Applications Development Services

Biagioli was present to discuss this issue. The purpose of this RFP was to establish a preferred providers list for Applications Development Services for the Information Systems Division for three service areas: Data Warehouse, Oracle Services, and Web Services on an as needed basis for a two-year period. The award is being made to one primary and two secondary vendors for each service area. The chosen vendors were Compuware, AST Corp., Stratagem, HCL Corp., Anthem Technologies, and Omni Resources. The contract cost will depend on project scope and will stay within budgetary limits. The first year budgeted amount was \$150,000. A total of 12 vendors submitted RFP's for consideration.

MOTION: Bruce moved, second by Behrend to approve the contract procurement process for applications development services. Motion carried 7-0.

Chair's Report on the National Association of Counties (NACo) Conference

Haukohl gave a report on the NACo conference she recently attended in Washington, D.C. She attended a discussion on how to get more people to join NACo. She attended the Public Lands Steering Committee where they discussed conservation projects in Washington State and improving the Federal Endangered Species Act. She attended a workshop on the Unfunded Mandates Reform Act which she believes isn't very effective. A choir sang the four hymns of the four branches of service which Haukohl said was very touching.

She attended a workshop on how a proposed energy bill would affect your county. There was an interesting report by the South Toppole Utility District who prevailed in their \$69 million lawsuit against Shell Oil Company for MBTE contamination of groundwater. Because of this lawsuit, the new federal energy bill will give MBTE manufacturers a waiver from liability.

There was a general assembly with John McCain who Haukohl felt was the best speaker at the convention. She attended a workshop on immigration reform and the high cost to control our borders which is paid by the counties. McCain is working on a bill to change naturalization eligibility.

She also attended a workshop on the Clean Air Act. The Clear Skies Initiative was just stalled in Congress. Haukohl said with this initiative, power plants are given a lot of flexibility and would have to meet emission standards which don't come close to the current standards we presently have in Wisconsin.

She spoke to a Colorado supervisor who supported TABOR. Colorado is working to get rid of the "ratchet down effect" which has killed their base budget. He said it should never have been a constitutional amendment because it's so difficult to get rid of the bad aspects once it's in the constitution.

Contract Procurement Process for Mobile Data Infrastructure Replacement

Swartz and Greco were present to discuss this issue. The contract was awarded to IPMobileNet, the highest rated proposer. The budgeted amount was \$650,000 and consists of Homeland Security Grant funds. Greco noted the total cost will not exceed the budgeted amount. The contract cost is \$448,588 and the five-year life cycle cost is \$598,489.38. A total of three vendor-submitted RFP's were considered.

MOTION: Herro moved, second by Broesch to approve the contract procurement process for mobile data infrastructure replacement. Motion carried 7-0.

Year-End Report on General Funds

Swartz, Daniels, and Baniel were present to discuss this report. The general fund is the primary fund of the County. It accounts for resources traditionally associated with general government operations, except those programs or activities that are required to be budgeted and accounted for in a special revenue or proprietary fund. Staff discussed each of the funds as outlined.

The preliminary, unaudited year-end general fund results indicated under spending of the expenditure budget appropriations by slightly more than \$2.7 million or 3.2% after purchase orders and carryover obligations were taken into consideration. Revenues (excluding tax levy and fund balance appropriations) were greater than budgeted by \$142,200 or 0.4%. The total combined expenditure and revenue amount over the modified budget was \$2.85 million or just over 2.2%.

Ordinance 159-O-132: Amend Sheriff's Department 2005 Budget Expenditure of Donated Funds

Trawicki was present to discuss this issue which involved purchasing a replacement dog for the canine unit because one is retiring. This ordinance will allow the department to appropriate up to \$18,500 in donated funds for this purchase. This includes the cost to acquire the dog, handler training and travel, overtime costs, etc. Trawicki advised that in 2004 the canine unit was used 594 times. The canine unit has assisted every police agency in the County and beyond including the City of Brookfield, City of Delafield, Muskego, Brown Deer, New Berlin, Oconomowoc, Wauwatosa, Metro, the Department of Justice, etc.

Herro asked if the department is reimbursed whereby Trawicki said no and basically that it's considered a service. Herro asked if the program could function with three dogs as opposed to four. Trawicki said he would not consider reducing the number of dogs to three which he explained in detail.

MOTION: Broesch moved, second by Behrend to approve ordinance 159-O-132. Motion carried 7-0.

Ordinance 159-O-131: Authorize the Waukesha County U.W. Extension Office to Enter into a Subcontractor Agreement with the Board of Regents of the University of Wisconsin System to Expand the Waukesha County Horticulture Resource Center Outreach, to Conduct Greenhouse Construction Workshops, to Develop a Model to Teach Horticulture to Low to Moderate Income Families, and to Appropriate Additional State Funding to the 2005 Budget

Jante discussed this ordinance which involves accepting \$58,468 of subcontract (grant) funding to expand the county horticulture resource center. Haukohl noted this was a budget objective and the grant application was reviewed by the Executive Committee. UW-Extension staff will administer the contract. The contract funding does not cover the County's administrative and indirect costs which are estimated to be 7% of the grant amount or \$4,100.

MOTION: Bruce moved, second by Broesch to approve ordinance 159-O-131. Motion carried 6-0. Behrend was absent.

Contract Procurement Process for Consulting Services for the Creation of a Strategic Plan

Bussler indicated the contract was awarded to Springsted, Inc., the highest rated proposer, for a total contract cost of \$49,955. The pricing was negotiated to meet budget parameters. The budgeted amount was \$50,000. A total of 8 vendors submitted RFP's for consideration.

MOTION: Morris moved, second by Broesch to approve the contract procurement process for consulting services for the creation of a strategic plan. Motion carried 7-0.

Future Agenda Items

Explanation of Retiree Health Insurance Subsidy / Costs (Herro)

MOTION: Broesch moved, second by Bruce to adjourn at 11:34 a.m. Motion carried 7-0.

Recorded by Mary Pedersen, Legislative Associate, County Board Office.

Respectfully submitted,

Bonnie J. Morris
Secretary